

Maurice Hinchey NEWS

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HINCHEY SAYS BUSH BUDGET DAMAGES ECONOMY

WASHINGTON - U.S. Representative Maurice Hinchey (NY-22) today issued the following statement in response to the budget proposal submitted to Congress by the White House this morning:

"Major speeches, like the State of the Union address President Bush delivered last week, provide chief executives with the opportunity to tout their proposals in the best possible light. But these addresses rarely provide details of the president's plans and often obscure his true intentions. President Bush's budget proposal, which arrived on Capitol Hill this morning with none of the fanfare that accompanied his nationally televised speech, gives us the most accurate indication of where his priorities lie.

"It is clear now that under any and all circumstances, the Bush Administration will propose tax cuts that primarily benefit the wealthiest Americans. Whether we have massive budget surpluses, as we did when he took office, or the record deficits we now have as the result of his policies, President Bush says the answer is a big tax cut for the rich.

"Meanwhile, important services for middle- and lower-income Americans are cut in his budget. Apart from defense and homeland security, the president cuts domestic programs \$18.7 billion below the amount needed to maintain purchasing power at the 2002 level. This includes cuts in federal highway aid, housing assistance, local law enforcement, and community development. Education receives a modest increase overall, but many education programs are eliminated entirely while many others -after school programs, improving teacher quality, education technology, and Perkins loans- are cut below the 2002 level. President Bush funds homeland security at a level far lower than our states need to protect their residents.

"The White House likes to call its plan a "stimulus", but this budget clearly shows it's nothing of the sort. To aid a struggling economy, a stimulus needs to have an immediate impact. Yet only 2.3 percent of the president's ten-year plan has any impact in 2003.

"President Bush's budget proposal creates deficits of \$304 billion in 2003 and \$307 billion in 2004, exceeding the \$290 billion record of the first Bush Administration. It spends the entire \$2.2 trillion Social Security Trust Fund surplus and more. It increases the public debt for the foreseeable future, burdening our children with a 'debt tax.'

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"As bad as all this sounds, it's even worse than we can tell right now. The administration did not budget for huge items like the conflict with Iraq or relief for the middle-class from the alternative minimum tax.

"Actions speak louder than words. For all his high-minded rhetoric, President Bush makes it clear with this budget that he strongly favors the privileged few over the many who need the federal government's help the most. In direct contradiction to his promise in the State of the Union address, the president is passing along all our problems to other Congresses, other presidents, and other generations."